

Yakima Valley Libraries

Board of Trustees

Monday, April 23, 2018 – 1:00 p.m.

Yakima Central Library Boardroom

I OPENING OF MEETING:

Board Member Present: President Del Rankin, Vice-President Glenn Rice, Secretary Jim Davenport, Trustee Dan Seifert

Board Member Absent: Trustee Mary MacKintosh

Staff Present: Executive Director Kim Hixson MLIS, Executive Assistant Terri Reeder, Public Library Services Director Francisco Garcia-Ortiz, Human Resources Director Darline Charbonneau, Accounting Manager John Slaughter

a. Call to Order

President Rankin called the meeting to order at 1:00 p.m.

b. Determination of quorum

President Rankin determined a quorum of the Trustees was present.

c. Recognition of visitors

d. Approval of the agenda

President Rankin requested under New Business discussion of future Study Sessions. The Board agreed to the request. Agenda was approved as presented.

II Open Forum

This is an opportunity for any person to speak to the Trustees about any issue on the Agenda. Time per speaker may be limited.

III Consent Agenda

The consent agenda is a grouping of ongoing regular items that are presented to the Trustees for approval. Any of the items can be broken out and questions may be asked at any time regarding any of the items:

a. *Approval of the March 28, 2018 minutes*

b. *Approval of financial statements*

c. *Approval of payroll and benefits*

d. *Approval of expenditure vouchers*

President Rankin asked if there were any changes or modifications to the Consent Agenda. The Trustees reviewed the list of claim vouchers and asked questions regarding various vendors and expenditures.

MOTION: Trustee Rice moved to adopt the Consent Agenda to include the March minutes, March financial statements, March General Fund to include Payroll and Benefits warrants, March Accounts Payable warrants. Trustee Seifert seconded the motion. *Motion unanimously passed.*

General Fund

Payroll Warrants

| | |
|---|---------------------|
| 321171 to 321180 | \$60,302.69 |
| 321181 to 321195 | 147,359.90 |
| Direct Deposit ACH Transfer to Key Bank | 100,282.07 |
| Direct Deposit ACH Transfer to Key Bank | <u>112,615.45</u> |
| <i>Total Payroll and Benefits</i> | <u>\$420,560.11</u> |

Accounts Payable Warrants

| | |
|--------------------------|---------------------|
| 78703 to 78754 | \$56,540.19 |
| 78755 to 783798 | <u>62,219.56</u> |
| <i>Total AP Warrants</i> | <u>\$118,759.75</u> |

Total Warrants Disbursed General Fund **\$539,319.86**

IV New Business

a. 2017 State Auditor Report

Motion

Executive Director Hixson relayed each year the library is required to file an annual report to the State Auditor's Office based on format prescribed in the Budget, Accounting and Reporting (BARS) Manual. She respectfully asked the Trustees make a motion to approve the 2017 Audit Report as presented. The document is due by the end of May to the State Auditor's Office.

The Board referred questions to the Accounting Manager. Mr. Slaughter gave responses as to the cost of the 2017 Audit and the amount of time it takes to complete the Annual Report. He commented the new Springbrook software has made the task easier to navigate information into the required report.

Motion: Trustee Davenport moved to approve submission of the 2017 State Auditor Report. Trustee Seifert seconded. *Motion was unanimously passed.*

b. 2018 Budget Amendment

Resolution #18-005

Executive Director Hixson reported the majority of change in the budget are the capital projects not spent in 2017 and new capital expenditures for 2018. Capital Items are outlined in the Board packet in Attachment C of the budget. The total capital for 2018 is estimated to be \$552,174.

Hixson provided packets to Board members including helpful Budget terms:

- *Reserved Cash:* Cash and investments with specific purpose or use restrictions or from internal commitments imposed by highest authority level (Trustees).
- *Unreserved Cash:* Cash and investments without any imposed restrictions.
- *Designated Funds:* Funds other than General Fund – see Resolution #06-013

At this time, Trustee Davenport asked that the 2018 Budget Amendment be temporarily tabled, so discussion could be moved to the Facilities Assessment under Unfinished Business. Board members agreed to do so.

After discussion of the Facilities Assessment concluded, (see V.c. Status of Facility Assessment for notes), Trustees returned to agenda item: 2018 Budget Amendment.

Board members agreed to move proposed Unreserved funds of \$563,527 to Reserved Funds Facility of \$199,044 for a total of \$762,571 and rename: *Facilities Inventory, Assessment and Improvement*.

Board members also agreed to approve Resolution #18-005: 2018 Budget Amendment.

Trustee Davenport asked that further discussion of the budget be raised again in October.

Motion: Trustee Davenport moved to proposed Unreserved funds of \$563,527 to Reserved Funds Facility of \$199,044 for a combined total of \$762,571 and rename: Facilities Inventory, Assessment and Improvement. Trustee Rice seconded. *Motion was unanimously passed.*

Motion: Trustee Rice moved to approve Resolution #18-005 in the matter of the 2018 Budget Amendment which includes the previous motion regarding the Facilities Inventory, Assessment and Improvements fund. Trustee Seifert seconded. *Motion was unanimously passed.*

c. Study Session

Discussion

Trustee Rankin proposed implementing future Study Sessions and suggested the following criteria: (1) How many Board members should attend? (2) Which Board members should attend? (3) Should there be guidelines or specific topics?

The Board agreed specific topics should drive the Study Sessions such as: (a) Facilities, Assessment, Improvements; (b) Budget; (c) Project Planning and Status of Projects in relation to the Strategic Plan's Goals.

Trustee Rice suggested holding Study Sessions in conjunction with Regular Board meetings.

Executive Director Hixson reminded Trustees a quorum made up of three Board members is subject by law to Open Public Meeting requirements. She also commented she'd like to work with staff for their input in preparation of future Study Sessions and dates.

The Board stated, they would like the facilities/building consultant to come and speak during their meeting after selected.

Executive Director Hixson noted the recent Washington State Library's Community Engagement workshop was enlightening and supports community input for future planning of the library district. Understanding the goals of each community in our library district is important. She said we currently have the right staff in the right places and there was good energy from our managers during the workshop. Hixson said the event gave her a new perspective to look at resources available rather than just dollars and cents. Libraries really do make a difference in a community.

Trustee Davenport commented he'd like to hear about the Public Libraries Association conference recently attended by Trustees Rankin and Seifert. They offered to share their experiences at a future meeting.

V Unfinished Business

a. Status of the Collection Information
Executive Director Hixson reported the overall collection is approximately 11 percent under estimated budget as of December 31st leaving a balance of \$94,867.71 unspent. Approval to add these funds to the 2018 budget is included in the 2018 Budget Amendment presented today.

b. Status of Strategic Plan Information
There were no updates to the status of the Strategic Plan.

c. Status of Facility Assessment Information
Trustee Davenport had asked for postponement during the 2018 Budget Amendment, to take up discussion of the Facility Assessment. The Board approved the deferment. (This discussion proceeded budget items.)

Davenport referred to an email he wrote proposing consolidation of facility funds. Board members discussed fund names to understand the terms: Designated funds and Reserved funds. Executive Director Hixson explained the definition and shared information from the BARS Manual. She also commented on the history of YVL Capital Fund and that it covers only maintenance on buildings YVL owns (per Resolution 17-004). Trustee Rankin noted Board members must consider the original intent of the funds.

Trustee Davenport complimented Hixson on the packet of supplemental information. He stated we owe it to the taxpayer to complete a service study; creating the best places to put library services. Hixson agree that a study is necessary. Trustee Rankin added we need to remember it's also about the relationships. Trustee Davenport gave a brief history of the Buena Community Library's existence.

Trustee Seifert recommended creating two separate Capital funds: *library owned buildings* and *non-owned buildings*. This would support maintenance for both.

Trustee Rice reiterated spending the pre-approved \$5,000 and hiring the building consultant to evaluate the district's facilities. Hixson responded a local consultant has been contacted and is writing a proposal to submit to the Trustees.

Trustee Davenport proposed moving \$400,000 from YVL Capital Fund to the Facility Assessment Reserved Fund. Trustee Rice opposed the move. Hixson replied a minimum of \$800,000 is maintained toward the buildings we own. She said she didn't feel comfortable dropping the account less than that amount. Trustee Rankin proposed establishing a fund the Executive Director withdraws from for building expenses, outside of the Reserve funds which require Board approval. Hixson referred to page 84, line 53, Capital and/or Facility Contingency (deferred maintenance) in the amount of \$563,527. She stated we could take a portion from that fund and put it into a fund for buildings we don't own. Re-naming the Facility fund might be a good start by separating it out and creating two new funds. The \$800,000 covers buildings we own; the \$563,527 covers facilities we don't own. The unique designated accounts (01) General Fund, (02) Yakima Valley Libraries Capital Fund, (03) Plath Fund should remain as they're currently are.

Board members asked for clarification about capital expenditures. Hixson responded capital is a one-time expenditure.

Trustee Seifert commented on “collapsing” Reserved accounts if they mean the same thing. Accounting Manager John Slaughter explained the difficulty of separating out the expenses for the Board’s review if funds were merged together. The probability of overspending in any one account would be likely if funds don’t remain designated.

Hixson explained the importance and history of Reserved Cash Funds: (04) Carry Forward Fund, (05) Facility Fund, (06) Technology Fund. Trustee Seifert asked what we use the funds for? Hixson replied the funds are reserved for future needs and emergencies. Hixson read the context of Resolution #06-013 Section 2: Purpose of Designated Funds.

VI Director’s Report

Question/Discussion

Executive Director Hixson announced Authors Out Loud presenter Renya Grande will speak at the Sunnyside Community Library and Yakima Central Library on Wednesday, April 25th.

Trustees Rankin and Rice commented on Hixson’s excellent response in the local newspaper’s Letters to the Editor, Sunday, April 29th regarding the library’s website security.

Executive Director Hixson reported events are underway for Summer Reading Programs and the Valley Reads. The YVL Foundation will hold its Book Sale on Saturday, April 28th. Trustee Seifert said they are hoping to coordinate better customer flow by expanding the check-out process to three cashiers.

VII Adjournment

President Rankin adjourned the meeting at 2:35 p.m.

Next meeting will be
Monday, May 21, 2018 - 1:00 p.m.
Regular Meeting
Yakima Central Library Boardroom

Respectfully submitted,

Jim Davenport
Secretary

